

**Lawrence Berkeley National Laboratory  
Contract Assurance Council  
Minutes of the Monthly Meeting**

**Wednesday, March 12, 2008  
University of California—Office of the President  
Franklin 9204**

*CAC members or representatives present:*

Bruce Darling	John Birely	Al Diaz, by phone
Steve Beckwith	Anne Broome	John Layton, by phone
Bob Foley	Patrick Reed	John Oakley
Bob Van Ness	Buck Koonce	Bill Eklund for Jeff Blair

*CAC members absent:*

Judy Boyette

*UCOP Staff:*

Ron Nelson	Sandy Vinson
Jim Hirahara	Sharon Eklund

*Guest participants:*

David McGraw, LBNL	Jeffrey Fernandez, LBNL	Howard Hatayama, LBNL
Jennifer Ridgeway, LBNL	Jim Krupnick, LBNL	
	John Chernowski, LBNL	

**Welcome/Action Items**

Bob Foley welcomed the Council members, and Jim Hirahara reported on the action items:

- Items 33 and 45—These items are now closed.
- Item 34—LBNL will report as the status of this item changes.
- Items 39, 40, 42, and 43—LBNL will report on these items at the April meeting.
- Item 44—This item will be discussed today.

Hirahara said that he would send to the Council members a copy of the letter from Bob Foley to Bob Dynes, Rory Hume, and Katie Lapp on the subject of UC's procedures with respect to capital projects.

The Council should consider the February 2008 minutes final as distributed.

**Facilities Review**

Jennifer Ridgeway, LBNL Facilities Division Director, gave an update on the January 9 power outage and its aftermath. The outage occurred several days following an

extraordinarily heavy storm on January 4. The Safety Review Team, led by Steve Black, LBNL Facilities Division Deputy Director, determined that one of the root causes of the outage was moisture in the building. The Lab has already completed a number of actions from the corrective action plan; others are in progress with a plan for completion. Due to potential risks caused by fume hoods that could not be ventilated because of the outage, Director Chu directed senior line managers to examine all their hoods to determine if they are still needed and whether they are connected to emergency generators. Ridgeway and Howard Hatayama will review a draft of the Laboratory's response to Aundra Richards' letter with Richards on Friday to make sure all concerns have been adequately addressed. Any comments requiring revisions will be incorporated into the letter before submitting the final LBNL response. The Council urged the Lab to ensure that proper documentation is available to support completion of all corrective actions.

### **BSO Concerns on LBNL ES&H**

Buck Koonce reported that he, Hatayama, David McGraw, and Jim Krupnick developed a corrective action plan to address the mercury spill, vetted the plan with Richards, modified it, and sent her the final version. Richards expressed to them her concerns regarding possible outcomes of a likely Podonsky review of Integrated Safety Management in FY09. Richards was concerned that 100% of the milestones from the approved Corrective Action Plan are not planned to be complete by the end of the calendar year, and she asked if UCOP could help the Lab move forward faster. The plan is to use McCallum-Turner to assist UCOP and LBNL in this area due to their familiarity with the Lab and because Podonsky's team holds them in high regard. LMO and the Lab will work with McCallum-Turner to determine what additional scope would be useful in this regard. It is also important that UCOP, the Laboratory, and BSO are in agreement as to the Laboratory's ISM posture, and that will also be a part of the additional scope of work. The Council also suggested that a sub-group of Council members might also be helpful.

### **FY08 Quarter 1 PEMP Review Highlights**

John Chernowski explained that SC has introduced increased uncertainty in the FY08 PEMP process due to the subjectivity involved in their recognizing "notable achievements" that are the only way the labs can earn an "A" grade.

A copy of the briefing presented at the joint BSO, UCOP, and Lab Quarterly Review of FY08 performance through the first quarter of the fiscal year was provided to the Council members for information. John pointed out that risks were identified relative to functional areas where performance at the target level was not assured. This allows for priority management attention to be focused on the identified risks. A general summary of the briefing was presented by Chernowski, and in connection with Goal 5.0, need for reductions in injury and accident rates, the Council encouraged the Lab to continue to incentivize identification and self-reporting even though this could be counter to reduction targets.

### Conflict of Interest (COI)

Ron Nelson reported that he, Ross Smith, and Patrick Reed from UCOP and others from LBNL would review the Lab COI policies and processes. UC has explained to DOE that the California state requirements are sufficiently stringent to meet the DOE requirements in this area, but it is not readily clear that LBNL is current with recent changes made by the Regents and the State. This will be a future review item for the Council.

### Other Announcements

John Birely reported that Director Chu's recent state-of-the-Lab address was very upbeat and well received. It was also announced by David McGraw that he planned to retire effective June 27. UCOP and the Council expressed their appreciation for McGraw's service and contributions. Paul Alivasatos is the chair of the search committee to fill McGraw's position, and Bob Van Ness, Jeffrey Fernandez, Vera Potapenko, and Jennifer Ridgeway are all members of the committee.

### Action Items:

#	Responsible Party	Action	Date Added	Status
34	Fernandez LBNL	Updates on UCB/LBNL status of addressing the different indirect rate structures at the Lab versus Berkeley Campus	10/10/07 (discussions beginning on 08/15/07)	<b>OPEN— future updates</b>
39	Fernandez LBNL	Report on what measures UCB and LBNL take to require vendors to indemnify UC when the vendor is working at LBNL	12/12/07	<b>OPEN-- Partially complete, finalize in April</b>
40	Fernandez LBNL	Report on how equipment owned by other organizations is managed at LBNL, including maintaining accountability and operational safety assurance	12/12/07	<b>OPEN-- Partially complete, finalize in April</b>
42	Chernowski LBNL	Provide follow-up on the contents of the QA final report and resulting corrective actions	01/08/08	<b>OPEN</b>
43	Chernowski LBNL	Report on any changes in the CATS process for validating item severity	01/08/08	<b>OPEN</b>

46	Hirahara UCOP	Send to Council members a copy of the Foley/Beckwith letter to Dynes on UCOP capital projects policies and processes	03/11/08	Closed on 03/13/08
47	Hirahara UCOP	Create a sub-group of CAC members to advise LBNL on preparation for FY09 Podonsky review	03/11/08	<b>OPEN</b>
48	Nelson UCOP	Report on review of adequacy of LBNL COI policies and processes	03/11/08	<b>OPEN</b>
33	Fernandez LBNL	Report effectiveness of changes to and controls on signature authorities	08/15/07	Closed on 02/06/08
45	Reed	Follow-up with Terry Hamilton on Signature Authorities	2/07/08	Closed